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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION

CODE OF FAIR COMPETITION SERIES—CODE No. 5

CODE OF FAIR COMPETITION
FOR THE
BREWING INDUSTRY

(Exclusive of provisions relating to hours of labor, rates of pay
and other conditions of employment)

Approved by the President of the United States
December 4, 1933

1. Executive Order
2. Letter of Transmittal (Secretary of Agriculture)
3. Code



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1933

EXECUTIVE ORDER

Approval of Code of Fair Competition for the Brewing Industry

Whereas, the Secretary of Agriculture having submitted for my approval a Code of Fair Competition for the Brewing Industry and having rendered his report and recommendations and findings thereon:

Now, therefore, I, FRANKLIN D. ROOSEVELT, President of the United States, pursuant to the authority vested in me by title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do hereby find that:

1. An application has been duly made, pursuant to and in full compliance with the provisions of title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Brewing Industry; and,

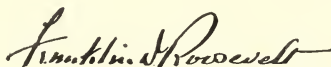
2. Due notice and opportunity for hearings to interested parties have been given pursuant to the provisions of the act and regulations thereunder; and,

3. Hearings have been held upon said code, pursuant to such notice and pursuant to the pertinent provisions of the act and regulations thereunder; and,

4. Said code of fair competition constitutes a code of fair competition, as contemplated by the act and complies in all respects with the pertinent provisions of the act, including clauses (1) and (2) of subsection (a) of section 3 of title I of the act; and,

5. It appears, after due consideration, that said code of fair competition will tend to effectuate the policy of Congress as declared in section 1 of title I of the act.

Now, therefore, I, FRANKLIN D. ROOSEVELT, President of the United States, pursuant to the authority vested in me by title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do hereby approve said Code of Fair Competition for the Brewing Industry.



President of the United States.

THE WHITE HOUSE,

December 4, 1933.

AGRICULTURAL ADJUSTMENT ADMINISTRATION

LETTER OF TRANSMITTAL

DECEMBER 4, 1933.

THE PRESIDENT,
The White House.

DEAR MR. PRESIDENT: I have the honor to submit the following:

1. There is transmitted herewith a Code of Fair Competition for the Brewing Industry, which I recommend for your approval. The Code, because of the emergency requiring its immediate consideration by you, does not contain labor provisions, other than the mandatory labor provisions of Section 7 (a) of the National Industrial Recovery Act. Additional labor provisions covering hours of labor, rates of pay, and other conditions of employment, not yet finally completed for your consideration, will be submitted later by the National Recovery Administrator. There accompanies the Code the report of the Administrator of the Agricultural Adjustment Act, and a true, correct, and complete stenographic report of all the evidence introduced at a public hearing on said Code, held pursuant to Section 3 (a), Title I of the National Industrial Recovery Act.

2. By virtue of Executive Order No. 6182, of June 26, 1933, as supplemented by Executive Order No. 6207, of July 21, 1933, and Executive Order No. 6345, of October 20, 1933, which, pursuant to Title I of the National Industrial Recovery Act of June 16, 1933 (Public, No. 67, 73d Congress), delegated to me, as Secretary of Agriculture, certain of the powers vested in the President of the United States by the aforesaid Act, and after considering the aforesaid Code of Fair Competition and a true, correct, and complete stenographic report of all the evidence introduced at such public hearing, and being fully advised in the premises, I make the following findings:

(a) That the provisions of the Code establishing standards of fair competition (1) are regulations of interstate and foreign commerce and (2) are reasonable.

(b) That the Code is not designed to promote monopolies or to eliminate or oppress small enterprises and will not operate to discriminate against them and will not permit monopolies or monopolistic practices.

(c) That the Code will not prevent an individual from pursuing the vocation of manual labor and selling or trading the products thereof nor prevent anyone from marketing or trading the produce of his farm.

(d) That due notice and opportunity for hearing, in connection with the aforesaid Code, has been afforded interested parties, in accordance with Title I of the National Industrial Recovery Act and applicable regulations issued thereunder.

(e) That said Code will tend to effectuate the declared policy of Title I of the National Industrial Recovery Act as set forth in Section 1 of said Act in that the terms and provisions of such Code tend: (1) To remove obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof; (2)

to provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among trade groups; (3) to eliminate unfair competitive practices; (4) to promote the fullest possible utilization of the present productive capacity of industries; (5) to avoid undue restriction of production (except as may be temporarily required); (6) to increase the consumption of industrial and agricultural products by increasing purchasing power; and (7) otherwise to rehabilitate industry.

(f) That said Code, when approved by the President, will constitute a Code of Fair Competition for the Brewing Industry within the meaning of Section 3 (a) of Title I of the National Industrial Recovery Act.

Respectfully,

H a w a l l a c e

Secretary of Agriculture.

CODE OF FAIR COMPETITION FOR THE BREWING INDUSTRY

EXCLUSIVE OF PROVISIONS RELATING TO HOURS OF LABOR, RATES OF PAY, AND OTHER CONDITIONS OF EMPLOYMENT

ARTICLE I

PURPOSES

Whereas, it is the declared policy of Congress as set forth in Section I of Title I of the National Industrial Recovery Act:

To remove obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof; and to provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among trade groups, to induce and maintain united action of labor, and management under adequate governmental sanctions and supervision, to eliminate unfair competitive practices, to promote the fullest possible utilization of the present productive capacity of industries, to avoid undue restriction of production (except as may be temporarily required), to increase the consumption of industrial and agricultural products by increasing purchasing power, to reduce and relieve unemployment, to improve standards of labor, and otherwise to rehabilitate industry and to conserve natural resources.

And—

Whereas, Congress has not had opportunity to legislate on liquor control following the repeal of the Eighteenth Amendment,

And—

Whereas, the Twenty-first Amendment provides in part as follows:

The transportation or importation into any State, Territory, or possession of the United States for delivery or use therein of intoxicating liquors, in violation of the laws thereof, is hereby prohibited.

Now, therefore, to effectuate the foregoing policies the following provisions are established as a Code of Fair Competition for the Brewing Industry (exclusive of provisions relating to hours of labor, rates of pay, and other conditions of employment) and upon approval by the President shall be the standards of fair competition for such industry and shall be binding upon every member of such industry in the United States.

ARTICLE II

DEFINITIONS

SECTION I. As used in this Code—

(a) The term "President" means the President of the United States.

(b) The term "Act" means Title I of the National Industrial Recovery Act, approved June 16, 1933.

(c) The term "person" means individual, partnership, corporation, association, and any other business unit.

(d) The term "brewing industry" means (1) the manufacturer of beer, ale, porter, stout, or other fermented malt liquors containing more than one half of one percentum of alcohol by volume, (2) the manufacture of cereal beverages, or (3) the bottling, warehousing, or other handling or distribution of any of the foregoing products, or the sale or distribution thereof, by a brewer or an affiliate or subsidiary thereof.

(e) The term "products of the industry" or "products" means beer, ale, porter, stout, and other fermented malt liquors or cereal beverages.

(f) The term "employee" means any person engaged in the industry in any capacity receiving compensation for his services, irrespective of the nature or method of payment of such compensation.

(g) The term "employer" means any person by whom any such employee is compensated or employed.

(h) The term "member of the industry" means any person engaged in the industry as an employer or on his own behalf.

(i) The term "books and records" means any books, records, accounts, contracts, documents, memoranda, papers, correspondence, or other written data pertaining to the business of the person in question.

(j) The term "subsidiary" means any person of or over whom a member of the industry has, either directly or indirectly, actual or legal control, whether by stock ownership or in any other manner.

(k) The term "affiliate" means any person who has, either directly or indirectly, actual or legal control of or over a member of the industry, whether by stock ownership or in any other manner, or a subsidiary thereof.

(l) The term "trade buyer" means any buyer of products of the industry except an ultimate consumer.

(m) The term "Administration" means the Federal Alcohol Control Administration.

(n) The term "Director" means the director of the Federal Alcohol Control Administration.

(o) The term "Code Authority" means the industry authority established under section 1 of Article VIII of this Code.

(p) The term "Regional Boards" means the boards established under Article VIII of this Code.

(q) The term "United States" means the several States and Territories, the District of Columbia, and Puerto Rico.

(r) The term "State" includes Territory and the District of Columbia.

(s) The term "distributor" means any trade buyer except a trade buyer who distributes solely to consumers.

ARTICLE III

MANDATORY LABOR PROVISIONS

(1) Employees shall have the right to organize and bargain collectively through representatives of their own choosing and be free from interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or other mutual aid or protection.

(2) No employee and no one seeking employment shall be required, as a condition of employment, to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing.

(3) Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President.

ARTICLE IV

UNFAIR METHODS OF COMPETITION

The following practices constitute unfair methods of competition and shall not be engaged in by any member of the industry:

SECTION 1. *False Advertising.*—To publish or disseminate in any manner any false advertisement of any product of the industry. An advertisement shall be deemed to be false if it is untrue in any particular or if directly or by ambiguity, omission, or inference it tends to create a misleading impression.

SEC. 2. *Misbranding.*—To sell or otherwise introduce into commerce any product of the industry that is misbranded. A product shall be deemed to be misbranded:

(a) *Food and Drugs Act Requirements.*—If it is misbranded within the meaning of the Food and Drugs Act.

(b) *Standards of Fill.*—If its container is so made, formed, or filled as to mislead the purchaser, or its contents fall below the standard of fill prescribed by regulations of the Administration.

(c) *Standards of Identity.*—If it purports to be or is represented as a product for which a definition of identity has been prescribed by regulations of the Administration and it fails to conform to the definition.

(d) *Standards of Quality.*—If it purports to be or is represented as a product for which standards of quality have been prescribed by regulations of the Administration, and (1) fails to state on the label, if so required by the regulations, its standard of quality in such terms as the regulations specify, or (2) falls below the standard stated on the label.

(e) *Label Requirements.*—If it fails to bear a label conforming to such requirements as the Administration may by regulation prescribe. Regulations for the purpose of this subsection shall be prescribed by the Administration, but only after due notice and opportunity for hearing to members of the industry.

SEC. 3. *Commercial Bribery.*—To give or permit to be given money or anything of substantial value in an effort to induce agents, employees, or representatives of customers or prospective customers to influence their employers or principals to purchase or contract to purchase products of the industry from the maker of such gift, or to influence such employers or principals to refrain from dealing or contracting to deal with competitors.

SEC. 4. *Consignment.*—The making of or entering into any agreement or contract the effect of which will amount to the shipment or delivery of products of the industry on consignment. "Consignment", as used herein, means the delivery of products under an

arrangement whereby the person receiving such products has the right at any time prior to sale to relinquish possession to or return them to the shipper and whereby the title to such products remains in the shipper.

SEC. 5. Allowances and Rebates for Advertising and Distribution Service.—To pay or make an allowance to a trade buyer for a special advertising or distribution service (a) unless in pursuance of a written contract defining the service to be rendered and the payment therefor; and (b) unless such service is rendered and the payment is reasonable and not excessive in amount; and (c) unless such contract is separate and distinct from any sales contract and such payment is separate and distinct from any sales price and is not designed or used to reduce a sales price; and (d) unless such payment is equally available for the same service to all competitive trade buyers in the same class in the same trade area; and (e) unless a copy of each such contract is filed with the proper Regional Board. This section shall not apply to any contract made prior to the effective date of this Code.

SEC. 6. Control of Retail Outlets.—

(a) *Retail Licenses.*—To hold the ownership, directly or indirectly, after the expiration of existing licenses, of any interest in any license to sell products of the industry for consumption on the premises covered by such licenses. Nothing herein contained shall apply to licenses issued to members of the industry to give away or sell products of the industry on premises of which the brewery is a part.

(b) *Loans and Guaranties.*—To furnish, give or lend any money or other thing of value, directly or indirectly or through a subsidiary or affiliate or by any officer, director, or firm member of the industry, to any person engaged in selling products of the industry for consumption on the premises where sold, or to any person for the use, benefit or relief of said person engaged in selling as above; or to guarantee the repayment of any loan or the fulfillment of any financial obligation of any person engaged in selling as above. Nothing herein contained shall affect the extension of usual and ordinary commercial credits for the products of the industry sold and delivered.

(c) *Equipment and Fixtures.*—To furnish, give, rent, lend, or sell any equipment, fixtures, or supplies, directly or indirectly or through a subsidiary or affiliate, or by any officer, director, or firm member of the industry, to any person engaged in selling products of the industry for consumption on the premises where sold. Nothing herein shall be construed as applying to such equipment, fixtures, or supplies furnished, loaned, or rented prior to the effective date of this Code, or prohibit the sale by any member of the industry or any subsidiary or affiliate thereof of such equipment, fixtures, or supplies now owned by them and now installed in retail premises. No loan, rental, or sale of any equipment, fixtures, or supplies made before the effective date of this Code shall be used as a consideration for an agreement thereafter made respecting the purchase of products of the industry.

(d) *Signs.*—(1) To furnish, give, lend, or rent any interior decoration other than signs, or to furnish, give, lend, or rent any sign or signs, for inside or outside use, costing collectively more than \$100 in any one calendar year by any member of the industry, directly

or indirectly or through a subsidiary or affiliate, or by any officer, director, or firm member of any member of the industry, for use in or about or in connection with any one establishment on which products of the industry are sold for consumption on the premises where sold; provided that nothing herein shall affect existing sign or signs under uncancellable order costing not more than \$400 each, if within 40 days after the effective date of this Code a list of such uncancellable orders as have been placed by him is filed by the member of the industry with the regional board having jurisdiction of the territory in which his plant is located.

(2) To pay money or other thing of value for the privilege of placing or painting a sign on the premises occupied by anyone selling products of the industry for consumption on the premises where sold. Nothing herein shall be construed as prohibiting the payment or rental for signs installed or painted under contract prior to the effective date of this Code.

(e) *Ownership of Real Estate.*—To hold any interest in any premises acquired after the effective date of this Code on which products are sold at retail for consumption on the premises where sold unless the holding of such interest is permitted under regulations of the Administration, or a statement of the holding thereof has been filed with the Administration and has not been disapproved by it.

SEC. 7. *Guarantees Against Decline.*—To make or give to any trade buyer any guarantee or allowance in any form against or as a result of decline in the sellers price.

SEC. 8. *Exclusive Outlets.*—To exact or require, by contract, understanding, or otherwise, that any retail trade buyer handle or sell only the products of a particular member of the industry.

SEC. 9. *Prizes and Premiums.*—To offer any prize, premium, gift, or other similar inducement, except advertising novelties of nominal value, to either trade or consumer buyers.

SEC. 10. *Sales to Unauthorized Vendors.*—After notification by the Code Authority or a regional board, to sell or otherwise dispose of products of the industry to any person who has been declared by the Code Authority or a regional board to be not authorized by license in full force and effect, to sell, manufacture, or distribute such products, if such a license is required of such person by State law.

SEC. 11. *Violations of State Law.*—To transport or import products of the industry into any State or political subdivision thereof for delivery, sale, or use therein in violation of the law of such State.

SEC. 12. *Returnable Containers.*—To accept as a return or to purchase or use a hogshead, barrel, half barrel, keg, case, or bottle branded or imprinted with the name of another member of the industry unless it be for exchange with the member whose name is branded thereon and such exchange is completed.

ARTICLE V

PRICES AND TERMS OF SALE

SECTION 1. Each member of the industry shall keep posted with the Code Authority or appropriate regional board, in accordance with regulations prescribed by the Code Authority and approved by the Administration, and upon request make available to trade

and consumer buyers a price list which shall set forth (a) all the brands and types of products containing more than one half of one per centum of alcohol by volume offered for sale by such member, (b) the sale price thereof to various classes of trade buyers, and (c) all discounts and other terms of sale, other than usual periods of credit, of such trade products. Such prices and terms shall not be effective until 10 days after they have been posted as aforesaid.

SEC. 2. The terms of sale so posted shall include provisions that no delivery of any hogsheads, barrels, kegs, or cases shall be made without collecting for the container, or (if the brewer retain title thereto, without a deposit therefor) at the time collection is made of the price for the product of the industry sold. The amounts so collected or deposited shall not be less than such amounts as the Code Authority, with the approval of the Administration, shall prescribe.

SEC. 3. No sale or other disposition of products of the industry containing more than one half of one per centum of alcohol by volume, shall be made by any member of the industry except in accordance with its prices and terms so posted and in effect.

SEC. 4. (a) No member of the industry shall post or keep posted any price or term which (1) will constitute destructive price cutting or dumping or (2) be so high as to encourage, directly or indirectly, the sale of trade products in violation of law, or (3) be oppressive to the consumer.

(b) A price or term posted by a member of the industry shall constitute dumping if it permits the sale of a product of the industry in any territory of sale outside the territory of manufacture at a price which is both (1) lower than the lowest comparable price posted by any other member of the industry in such outside territory for a product of similar quality; and (2) lower than the lowest price for the same product posted by the member of the industry in his territory of manufacture. In computing such comparative prices there shall be deducted from the price posted in the territory of manufacture any difference between the taxes in the territory of sale and those prevailing in the territory of manufacture. In no event shall the price or term be deemed to constitute dumping if such price or term is fair and reasonable in view of the prevailing conditions within the territory of sale, including the general level of prices for the product. For the purposes of the paragraph the area covered by a territory shall be as specified in Article VIII.

(c) A posted price or term shall not be held to be in violation of this section unless it is kept posted after it has been declared ineffective by the Code Authority or appropriate regional board, or the Administration, as hereinafter in this Article provided.

SEC. 5. If, after investigation, the Code Authority or appropriate regional board finds that any price or term posted under this Article is not in conformity with the requirements of Section 4, it shall, with the approval of the Administration, declare such price or term ineffective.

SEC. 6. If the Administration is of the opinion that the prices or terms posted for any brand or type of products of the industry are contrary to the requirements of Section 4, it may report such fact to the Code Authority or appropriate regional board. If the Code Authority or appropriate regional board does not within 10 days take

action acceptable to the Administration, the Administration may then declare such prices or terms ineffective, if it finds that they are not in conformity with the requirements of Section 4.

SEC. 7. The making of any sale or delivery, except sales or deliveries to the home, without a written invoice is prohibited.

SEC. 8. The payment by any member of the industry of allowances or rebates, refunds, concessions, or discounts, whether in the form of money or otherwise, not conforming with the prices and terms of sale, as disclosed in the posted price list, is prohibited.

SEC. 9. The posting or publishing of any false or fictitious price list, or the use of invoices which falsely indicate prices, discounts, or terms of any sale, or the inserting in any invoice of statements which make the invoice a false record, wholly or in part, of the transactions represented on the face thereof, or the withholding from any invoice of statements which properly should be included therein, so that, in the absence of such statements, the invoice does not truly reflect the transaction involved, is prohibited.

ARTICLE VI

DISTRIBUTORS

No member of the industry shall sell or deliver products of the industry to a distributor unless such distributor agrees with such member to comply, and does comply with the provisions of Article IV and of section 2 of Article V; except that such agreement shall be effective only until a wholesale code imposing similar conditions upon the wholesale distributors of products of the industry has been approved for the alcoholic beverages wholesaling industry.

ARTICLE VII

REPORTS

SECTION 1. The members of the industry shall severally from time to time, upon the request of the Administration (or the National Recovery Administrator in case of information relating to hours of labor, rates of pay, or other conditions of employment), furnish such information, on and in accordance with forms of reports to be supplied, as may be deemed necessary for the purposes of (1) assisting in the furtherance of the powers and duties of the Administration or the National Recovery Administrator with respect to this Code, or (2) enabling the Administration or the National Recovery Administrator to ascertain and determine the extent to which the declared policy of the Act and the purposes of this Code are being effectuated, such reports to be verified under oath.

SEC. 2. The members of the industry shall severally permit, for the same purposes or to enable the Administration or the National Recovery Administrator to verify the information furnished on said forms of reports, all their books and records and the books and records of their affiliates and subsidiaries, to be examined by the Administration or the National Recovery Administrator during the usual hours of business.

SEC. 3. Each member of the industry shall severally keep books and records which will clearly reflect all financial transactions of his business and the financial condition thereof and such other matters relating to the business of the member as the Administration may by regulation prescribe, and shall require that their respective subsidiaries and affiliates keep such records.

SEC. 4. All information furnished the Administration pursuant to this Article shall remain confidential in accordance with the applicable regulations prescribed by the Administration.

ARTICLE VIII

ADMINISTRATION

SECTION 1. (a) A Code Authority shall be established by the members of the industry for the purpose of administering the provisions of this Code (except as otherwise provided) and of supervising and promoting the observance of such provisions. The Code Authority shall be established promptly upon the approval of this Code and shall be constituted as follows:

(1) The Code Authority shall be composed of 9 members, each of whom shall be engaged in the industry. The members shall serve without pay and shall be appointed or elected for a term of one year. Three of the members shall be appointed by the president of the United States Brewers Association by and with the approval of the board of directors of that Association; two by the president of the American Brewers Association by and with the approval of the board of directors of that Association; and four, not members of either of said Associations, shall be elected by members of the industry who are not members of either of said Associations at a meeting or convention of such non-members. Such non-members may vote at such meeting by proxies and a majority vote of all such brewers, not members of either of said Associations, shall be required to elect.

(2) Of the members appointed or elected by each group, not more than one shall come from a single territory as hereinafter specified. Lists of members so appointed or elected shall be submitted to the Administration for approval, and the Administration may appoint a representative to attend the meetings of the Code Authority.

(3) Not more than one officer, director, or employee of any one member of the industry shall be a member of the Code Authority. Members of the Code Authority may be represented at meetings in person or by proxy.

(4) Vacancies on the Code Authority, so far as United States Brewers Association members are concerned, shall be filled by appointment made by the president of that association with the approval of the board of directors of that association; vacancies, so far as American Brewers Association members are concerned, shall be filled by appointment made by the president of that association with the approval of the board of directors of that association; and vacancies, so far as other members are concerned, shall be filled by election on ballots sent through the mail to brewers in the United States who are not members of either of said associations by the said Code Authority under such regulations as the Code Authority may

adopt. Lists of members so appointed or elected to fill vacancies shall be submitted to the Administration for approval.

(b) The Code Authority shall—

(1) Adopt, with the approval of the Administration, uniform regulations for the administration of the provisions of this Code, except as otherwise provided; and regulations so adopted shall have the same force and effect as the provisions of this Code.

(2) Cooperate with the regional boards, one of which shall be organized for each of the following territories by the members of the industry whose breweries are located in such territory; administration of this Code within their respective territories as follows:

Regional Board Number.—	Territory Covered by Board
1-----	Maine, New Hampshire, and Vermont.
2-----	Massachusetts, Rhode Island, and Connecticut.
3-----	New York and Puerto Rico.
4-----	New Jersey.
5-----	Delaware, Maryland, District of Columbia, Virginia.
6-----	Pennsylvania.
7-----	North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Kentucky, and Tennessee.
8-----	Ohio and West Virginia.
9-----	Indiana.
10-----	Iowa and Illinois.
11-----	Michigan.
12-----	Wisconsin.
13-----	Minnesota, North Dakota, and South Dakota.
14-----	Missouri.
15-----	Louisiana, Arkansas, Oklahoma, and Texas.
16-----	Colorado, Utah, Wyoming, Kansas, Nebraska, and New Mexico.
17-----	Montana, Washington, Idaho, Oregon, and Alaska.
18-----	California, Nevada, Arizona, and Hawaii.

SEC. 2. The Administration may, from time to time, make such changes in the territorial limitations of the regional boards as it deems necessary.

SEC. 3. (a) All members of the industry whose breweries are located in any territory as above specified shall, within 15 days after the effective date of this Code, gather in convention in some centrally located point in that region, and there nominate and elect by ballot a regional board for such territory. The members of each regional board shall be representative of members of the industry in the board's territory (due consideration on their election to be given plant capacity and numbers), and their names shall be submitted to the Administration for approval.

(b) Each regional board shall adopt, with the approval of the Administration, regulations for the administration within its territory of the provisions of this Code except as otherwise provided, and regulations as to its organization and as to investigations to be made by it; and shall have power to interpret informally, for the members of the industry within its territory, the provisions of this Code.

(c) Any of said regional boards shall entertain and hear complaints, under the regulations adopted as above provided, against any member of the industry within its territory, arising out of any alleged violation of this Code arising wholly within the board's territory; and may require from any member of the industry a statement of the facts pertinent to the inquiry.

(d) If any regional board declares that in its opinion there has been a violation of any of the provisions of this Code, it may proceed by warning notice to the defendant or by report, including the record and recommendation, to the Code Authority, which in the absence of appeal, shall transmit the report to the Administration.

(e) Appeals shall lie on motion of the complainant or defendant from the recommendations of said regional boards to the Code Authority with respect to any alleged violation. The Code Authority, when it deems it necessary, may report its findings and its recommendations to the Administration, together with the report of the regional board. A copy of the findings and recommendations of the Code Authority shall be sent also to the regional board in which the case originated.

(f) Each regional board shall have power to employ such paid assistants as it deems necessary, and all of the expenses (which shall be limited to carry out the provisions of this Code) of such regional board shall be allocated to the members of the industry whose products are distributed in the board's territory, in proportion to distribution by barrels, on a budget to be made public to all members of the industry whose products are sold in the board's territory. The members of such regional board shall serve without pay.

SECTION 4. (a) The Code Authority shall have the same original jurisdiction, including powers in connection therewith, as to alleged violations of this Code arising within two or more of the territories herein specified, as are granted to a regional board with respect to alleged violations arising wholly within the board's territory. The report of the Code Authority with respect to the violation shall be transmitted to the Administration.

(b) The Code Authority shall have power to consider proposals from any member of the industry for the amendment of this Code and to submit such proposals to the Administration; and to interpret informally for members of the industry the provisions of this Code, which interpretation shall be rendered through the regional boards.

(c) The expenses of the Code Authority (which shall be limited to carrying out the provisions of this Code) shall be allocated to members of the industry in proportion to their sales by barrels, to be collected in such manner as the Code Authority may determine, on a budget to be made public to all members of the industry.

ARTICLE IX

FEDERAL ALCOHOL CONTROL ADMINISTRATION

SECTION 1. The Federal Alcohol Control Administration shall prescribe such regulations, and make such interpretations, as are necessary to administer the authority conferred on it by this Code. Such regulations shall have the same force and effect as the provisions of this Code.

SEC. 2. If the Administration is of the opinion that the Code Authority has failed to take any action which the Administration deems necessary to administer the provisions of this Code, the Administration may so report to the Code Authority. If the Code

Authority does not within such time as the Administration deems proper take action relating to such report which the Administration deems adequate, the Administration shall take such action as it may deem necessary to administer such provisions.

SEC. 3. The Administration may investigate any apparent violation of the provisions of this Code and may take such action in the premises as it deems desirable.

ARTICLE X

DURATION OF IMMUNITIES

SECTION 1. The benefits, privileges, and immunities conferred by this Code shall cease upon its termination, except with respect to acts done prior thereto.

ARTICLE XI

AGENTS

SECTION 1. The Administration and the National Recovery Administrator may by designation in writing name any person, including any officer or employee of the Government, to act as its or his agent in connection with their respective powers and duties under this Code.

ARTICLE XII

MODIFICATION

SECTION 1. This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provisions of Section 10 (a) of the Act, from time to time, to cancel or modify any order, approval, license, rule or regulation issued under the Act, and specifically, but without limitation, to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

ARTICLE XIII

APPLICATION OF CODE TO OTHER INDUSTRIES

SECTION 1. If any member of the industry is also engaged in any other industry or trade, the provisions of this Code shall apply to and affect only that part of the business of such member of the industry which is included in the brewing industry.

ARTICLE XIV

EFFECTIVE DATE

SECTION 1. This Code shall be effective the day following its approval by the President.

